



TERRY E. BRANSTAD, GOVERNOR

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IOWA UTILITIES BOARD
DEPARTMENT OF COMMERCE

November 4, 1997

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Universal Service Administrative Company
100 South Jefferson Road
Whippany, N.J. 07981

Dear Universal Service Administration Company:

RE: Public Notice DA 97-1892, Lifeline
Docket CC-96-45

Per the public notice above, issued on September 29, 1997, the Iowa Utilities Board is hereby providing the requested "one-page notification letter." We understand that this notification is a condition of eligibility for federal universal service support. We also understand that states are required to send this letter as soon as possible and in no event later than December 31, 1997.

The Iowa Utilities Board, for the state of Iowa, has adopted rules requiring carriers to offer an "equivalent reduction" (of \$1.75) to intrastate local rates paid by the end-user. Iowa's lifeline rules comply with the Commission's rules, and we require the carriers to report both: 1) the number of qualifying low-income customers; and 2) the amount of assistance to the administrator.

If you have any questions or request further information, please contact Mary J. Street at 515/281-3068.

Sincerely,

Allan T. Thoms
Chairman

mjs

Attachment: Iowa Administrative Code, Chapter 39 rules on low-income assistance

cc: Sheryl Todd, FCC Universal Service Branch
Office of the Secretary, FCC Room 222 ✓
Federal-State Joint Board Service List
Kent Jerome, Iowa Telecommunications Association

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PROPOSED RULES - ATTACHMENT

This amendment is intended to implement Iowa Code section 476.102 and the Telecommunications Act of 1996, 47 U.S.C. section 254.

The following amendments are proposed:

Item 1. Amend subrule 22.4(2) as follows:

22.4(2) *Customer deposits.* Each utility may require from any customer or prospective customer a deposit intended to guarantee payment of bills for service. No deposit shall be required as a condition for service other than determined by application of either credit rating or deposit calculation criteria, or both, of the filed tariff. The deposit required shall be confirmed in writing to the customer not later than the time of the next billing. The confirmation shall, in separate columns, itemize deposits for toll and regulated services and identify deposits for other services. The confirmation shall state that no deposit other than for toll and regulated services is required to obtain basic local service. The confirmation must also reflect the limits as to low-income customers in subparagraph 39.3(2)"b"(4). Toll service does not include information service not regulated by the board.

a. Such deposit shall not be more in amount than the maximum charge for two months local exchange service plus two months regulated toll service estimated from either past toll usage or customer estimated anticipated usage or exchange average toll usage for the same class and grade of service, or as may reasonably be required by the utility in cases involving service for short periods of time or

special occasions. The deposit amounts must also reflect the limits as to low-income customers in subparagraph 39.3(2)"b"(4).

Item 2. Amend subparagraph 22.4(3)"c"(4) as follows:

(4) Each disconnection notice shall state that access to regulated service shall not be denied for failure to pay for information service charges, or for deregulated toll charges.

Item 3. Amend paragraph 22.4(3)"e" as follows:

e. If the customer makes a partial payment in a timely manner, and does not designate the service or product for which payment is made, the payment shall first be applied to the undisputed balance for basic local service, with the remainder applied on a pro rata basis to regulated utility services ~~and toll~~. If an amount remains, it may then be applied to deregulated and nonregulated services ~~other than toll~~. The late payment charge provision should be applied to only the outstanding balance for utility services, except interstate toll and related taxes.

Item 4. Amend subrule 22.4(7) by adding paragraph "i" as follows:

i. failure to pay deregulated toll charges.

Item 5. Rescind and reserve 199—rule 22.18.

Item 6. Amend 199—rule 39.1 (476) by adding the following definitions in alphabetical order:

"Toll blocking" means a service that lets consumers elect not to allow the completion of outgoing toll calls from their telecommunications channel.

"Toll control" means a service that allows consumers to specify a certain amount of toll usage that may be incurred on their telecommunications channel per month or per billing cycle.

"Toll limitation" denotes both toll blocking and toll control.

Item 7. Add new 199—rule 39.3 (476) as follows:

199—39.3(476) Low-income connection assistance program (Link-up) and low-income Lifeline assistance.

39.3(1) *Filing of tariffs or inclusion of offer in contracts.*

a. Every eligible telecommunications carrier that files tariffs with the board shall include in their tariffs provisions offering low-income connection assistance (Link-up) and low-income Lifeline assistance rates to qualified applicants for single-party service, voice grade access to the public switched network, DTMF (Dual Tone Multi-Frequency) or its functional digital equivalent, access to emergency services, access to operator services, access to interexchange service, and access to directory assistance. In addition, toll limitation shall be included in this service offering without charge to the Lifeline customer.

b. Eligible carriers that do not file tariffs with the board must include the Link-up and Lifeline offerings in their agreements to provide service to customers.

39.3(2) Rates.

a. Link-up connection assistance rates. The reduced rates shall include all state tariffed connection charges for installing basic residential service except security

deposits. The eligible carrier shall offer to qualified applicants either or both of the following:

(1) A reduction of 50 percent of all connection charges or \$30, whichever is less, and

(2) A deferred payment schedule of equal payments of the charges of up to \$200.00 assessed for commencing service. The consumer does not pay interest on the deferred charges. The deferral period shall not exceed one year.

(3) The consumer shall receive the benefit of the Link-up program for a second or subsequent time only for a principal place of residence with an address different from the residence address at which Link-up assistance was provided previously.

b. Lifeline assistance rates. The rates charged to qualified applicants shall reflect the following:

(1) Eligible carriers that charge federal end-user common line charges or equivalent federal charges must apply the federal baseline Lifeline support of \$3.50 to waive the Lifeline consumers' federal end-user common line charges.

(2) Eligible carriers that do not charge federal end-user common line charges or equivalent federal charges must apply the federal baseline Lifeline support amount of \$3.50 to reduce the Lifeline consumer's lowest tariffed residential rate.

(3) Qualified applicants shall have their monthly local exchange service rate reduced by the federal support of \$1.75, in addition to the \$3.50 of baseline federal support used either to waive the Lifeline customer's federal end-user common line charges, or to reduce the Lifeline customer's residential rate.

(4) Eligible carriers may not collect a service deposit in order to initiate Lifeline service, if the qualified applicant voluntarily elects toll blocking where available.

39.3(3) Qualified applicants. To be eligible for Lifeline or Link-up assistance, an applicant must participate in one of the following programs:

- a. Medicaid (e.g. Title XIX/Medical, state supplemental assistance);
- b. Food stamps;
- c. Supplemental Security Income;
- d. Federal public housing assistance; and
- e. Low-income Home Energy Assistance Program.

39.3(4) Application. The application shall be upon a form as set forth below.

The form shall be supplied to the applicant by the eligible carrier.

LINK-UP AND LIFELINE RATE ASSISTANCE APPLICATION

Name _____

Address _____

Soc. Sec. _____

City _____ State _____ Zip _____

Phone Number where you may be reached or receive messages () _____

Please answer the following questions (indicate by check mark):

1. By filling out this application I (the applicant) request:

_____ low-income telephone connection assistance (Link-up) and/or

_____ low-income telephone Lifeline assistance.

2. Have you received Link-up assistance at the above address in the past?

_____Yes

_____No

If the answer is "yes," you are not eligible for Link-up assistance.

3. Are you participating in any of the following programs:

_____Medicaid (e.g. Title XIX/Medical, State Supplemental Assistance)

_____Food Stamps

_____Supplemental Security Income

_____Federal Public Housing Assistance

_____Low-Income Home Energy Assistance

I understand completion of this application does not constitute immediate acceptance into this program. I agree to notify the telecommunications carrier if I cease to participate in any of the public assistance programs I checked above.

I certify under penalty of perjury the above information is true. I have read the information on this application and understand I must meet the above qualifications to receive assistance from these programs.

SIGNATURE _____ DATE _____

39.3(5) Data collection. Eligible carriers shall keep records of the number of subscribers receiving Link-up and Lifeline assistance. Each eligible carrier must keep accurate records of the revenues it forgoes in providing Lifeline and Link-up.

The board requires that the carrier file information with the federal administrator demonstrating the carrier's Lifeline and Link-up plans meet the federal criteria, the

number of qualifying low-income consumers, and stating there are no state contributions.

39.3(6) *Customer Notification.*

a. Eligible carriers shall inform all persons ordering new or transferring existing residential service of the Link-up and Lifeline assistance programs and shall inquire whether the customer wants to have further information concerning the programs provided, unless it is apparent that the customer would not be eligible.

b. The eligible carrier shall provide informational brochures and application forms to the county offices of the Iowa department of human services, division of community services for the counties served, to the area agency on aging, and to the community action offices of the department of human rights for the region served. In counties or regions served by more than one eligible carrier, the carriers are encouraged to cooperate in providing the brochures and forms jointly.

c. The eligible carriers shall pursue media coverage of the Link-up and Lifeline assistance programs. This may include advertising where appropriate.

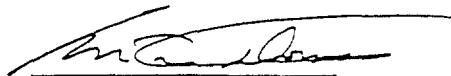
Item 8. Rescind and reserve 199—rule 38.8 (476).

Item 9. Adopt new 199—rule 39.4 (476) as follows:

199—39.4(476) Universal service support for schools and libraries. With respect to intrastate telecommunication services, determined by either the board or the Federal Communications Commission to be within the definition of universal service, the discount for elementary schools, secondary schools, and

libraries shall be equal to the discount the Federal Communications Commission sets with respect to interstate service.

September 19 , 1997

A handwritten signature in black ink, appearing to read "Allan T. Thoms", written over a horizontal line.

Allan T. Thoms
Chairperson



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Dear Universal Service Administrative Company:

RE: Public Notice DA 97-1892, Schools and Libraries
Docket CC-96-45

Per the public notice above, issued on September 29, 1997, the Iowa Utilities Board is hereby providing the requested "one-page notification letter." We understand that this notification is a condition of eligibility for federal universal service support. We also understand that states are required to send this letter as soon as possible and in no event later than December 31, 1997.

The Iowa Utilities Board, for the state of Iowa, has adopted a compliant intrastate discount matrix for schools and libraries. Iowa's Schools and Libraries discount matrix is equal to the entries of the interstate discount matrix.

If you have any questions or request further information, please contact Mary J. Street at 515/281-3068.

Sincerely,

Allan T. Thoms
Chairman

mjs

cc: Sheryl Todd, FCC Universal Service Branch
Office of the Secretary, FCC Room 222 ✓
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